

# OGC Has Reviewed

DD/A Registry

Approved For Release 2001/09/01 : CIA-RDP81-00122R000100170003-3

OGC 78-1379

7 March 1978

MEMORANDUM FOR: Deputy Director for Administration

ATTENTION : Executive Officer/DDA

FROM : [REDACTED]  
Assistant General Counsel

SUBJECT : Agency Assistance to Department of Treasury

1. This memorandum addresses a request which the Agency has recently received from the Department of Treasury, seeking our assistance in the destruction of some 1.5 million invalid, blank Treasury checks. Treasury seeks to make use of local Agency destruction facilities in order to save the costs involved in transporting the blank checks to a Treasury destruction facility located in Pennsylvania.

2. In my opinion, it is legally permissible for the Agency to provide this service to the Department of the Treasury. Affirmative authority for these types of services is contained in provisions of the Economy Act (31 U.S.C. 686). Moreover, the Agency would not be in violation of the prohibition concerning participation in a law enforcement activity [E.O. 12036, Section 2-308(b)]. For, while several elements of the Treasury Department do conduct law enforcement activities, the destruction of these blank checks cannot, in my opinion, be construed as a law enforcement activity within the meaning of the phrase contemplated by the executive order.

3. Even though the Agency's assistance in this matter is legally permissible, I believe the fact of Agency assistance would invite considerable skepticism and adverse publicity if our involvement were to become generally known, given the type of material being destroyed. Thus, if you decide to grant the assistance which is requested, I recommend that you:

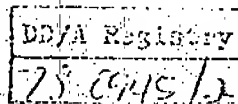
- a. Require Treasury to submit, in advance of the destruction, a detailed listing of the types and numbers of materials to be destroyed;
- b. Require the presence of a Treasury official throughout the destruction process; and
- c. Require a written acknowledgement from Treasury stating that all materials which were presented for destruction were duly destroyed.

77-8-424

OEC 78-1296

3-3-78

1 March 1978



MEMORANDUM FOR: Deputy Director for Administration  
FROM: Thomas B. Yale  
Director of Finance  
SUBJECT: Assistance to U.S. Treasury -  
Destruction of Blank Treasury Checks

1. The attached copy of a memorandum from Mr. Henry H. Eades, Director, Disbursing Center, Treasury Department, dated 28 February 1978, requests Agency assistance in the destruction of approximately 1.5 million invalid blank Treasury checks.

2. Your approval is requested in accordance with HR [REDACTED] Annex E. Since this service to Treasury has no precedent of legality or propriety, we recommend that this matter be reviewed by the Inspector General and, as appropriate, by the Office of General Counsel.

(signed) Thomas B. Yale

Thomas B. Yale

Attachment

APPROVED:

Deputy Director  
for Administration

DATE 10 MAR 1978

DATE

Director  
Administration

ILLEG

NOTE:

WITH THE CAVEAT THAT THE  
THREE PROVISIONS MENTIONED IN  
PARA 3 OF OGC MEMO OF 7 MARCH 78  
BE FULFILLED.

Approved For Release 2001/09/01  
/s/ JEB

Dist.  
1-D/OF  
1-Subj  
1-Chron  
1-JEB

*Memorandum*

Approved For Release 2001/09/01 : CIA-RDP81-00142R000100170003-3

Director of Finance

DATE: FEB 28 1978

Treasury Department  
Washington Disbursing Center

SUBJECT: Destruction of Blank Treasury Checks

1. Your assistance is requested in the disposal of approximately one million five hundred thousand invalid, blank Treasury checks. These checks must be destroyed by shredding, burning, or other means which causes complete disintegration. Your assistance will enable us to avoid considerable expenditures in both manpower and transportation in conveying these checks to a facility in Pennsylvania for destruction.
2. If approval is granted to assist in this manner, it is required by the Chief Disbursing Officer, Treasury Department, that one person from this office observe the destruction.
3. Your assistance will be most appreciated.

*Henry H. Eades*  
Director, Disbursing Center

Approved For Release 2001/09/01 : CIA-RDP81-00142R000100170003-3  
7 March 1978

MEMORANDUM FOR: Deputy Director for Administration

ATTENTION : Executive Officer/DDA

STATINTL : [REDACTED]  
Assistant General Counsel

SUBJECT : Agency Assistance to Department of Treasury

STATINTL

1. This memorandum addresses a request which the Agency has recently received from the Department of Treasury, seeking our assistance in the destruction of some 1.5 million invalid, blank Treasury checks. Treasury seeks to make use of local Agency destruction facilities in order to save the costs involved in transporting the blank checks to a Treasury destruction facility located in Pennsylvania.

2. In my opinion, it is legally permissible for the Agency to provide this service to the Department of the Treasury. Affirmative authority for these types of services is contained in provisions of the Economy Act (31 U.S.C. 686). Moreover, the Agency would not be in violation of the prohibition concerning participation in a law enforcement activity [E.O. 12036, Section 2-308(b)]. For, while several elements of the Treasury Department do conduct law enforcement activities, the destruction of these blank checks cannot, in my opinion, be construed as a law enforcement activity within the meaning of the phrase contemplated by the executive order.

3. Even though the Agency's assistance in this matter is legally permissible, I believe the fact of Agency assistance would invite considerable skepticism and adverse publicity if our involvement were to become generally known, given the type of material being destroyed. Thus, if you decide to grant the assistance which is requested, I recommend that you:

a. Require Treasury to submit, in advance of the destruction, a detailed listing of the types and numbers of materials to be destroyed;

b. Require the presence of a Treasury official throughout the destruction process; and

c. Require a written acknowledgement from Treasury stating that all materials which were presented for destruction were duly destroyed.

UNITED STATES GOVERNMENT Approved For Release 2001/09/01 : CIA-RDP81-00000R000100170003-3

## Memorandum

Mr. [REDACTED]  
Branch II

DATE: MAR 15 1978

Washington Disbursing Center

WDC:E

SUBJECT: Destruction of Blank Treasury Checks

1. This will confirm my telephone conversation with you on March 13, 1978, on the above subject. Checks to be destroyed, and their volumes, are shown below.

<u>SYMBOL</u>	<u>CHECK NUMBERS</u>	<u>VOLUME</u>
EMERGENCY	99,000,000 - 99,199,999	200,000
3000 BUFF	99,011,170 - 99,011,999	830
3000 BUFF	99,054,200 - 99,055,199	1,000
3000 BUFF	99,066,702 - 99,089,999	23,298
3000	94,960,076 - 94,965,999	5,924
3000	71,481,000 - 71,730,999	250,000
3000	93,460,694 - 93,465,999	5,306
3000	94,506,393 - 94,515,999	9,607
3000	94,545,389 - 94,555,999	410,613
3003	13,755,448 - 13,999,999	244,552
3003 COMP.	00,080,001 - 00,090,000	10,000
3003 COMP.	00,121,909 - 00,140,000	18,092
SUBS-GOLD	00,270,053 - 00,280,000	9,948
SUBS-GOLD	00,076,803 - 00,076,938	136
SUBS-GOLD	00,080,185 - 00,110,000	29,816
6320 COMP.	834,277 - 875,999	41,723
6320 COMP.	906,000 - 945,999	40,000
6320 MISC.	892,410 - 895,999	3,590
6320 MISC.	905,570 - 905,999	430
SUBS-MISC.	01,086,911 - 01,112,000	25,090
SUBS-COMP.	03,046,573 - 03,046,599	27
SUBS-COMP.	03,164,941 - 03,322,000	157,060
TOTAL CHECKS FOR DESTRUCTION		1,487,042

2. Members of the Washington Disbursing Center participating in the destruction of the above checks are:

Harry Austin	Staff Assistant	Executive Office
Aubrey Smith	Supervisor	Administrative Supply Section
Juan Taylor	Driver	Administrative Supply Section

3. Your assistance in providing this service is appreciated.

*Henry H. Eades*  
Director, Disbursing Center

78-0462

88-0571  
1-31-78

30 JAN 1978

DD/A Registry  
File *Comm-2*

MEMORANDUM FOR: Acting Deputy Director for Administration

VIA: General Counsel  
Inspector General

FROM: James H. McDonald  
Director of Logistics

SUBJECT: Assistance to McLean Postal Service Facility

1. Action Requested: This memorandum contains a recommendation for your approval in paragraph 4.

2. Background: The McLean Postal Service unit has requested the use of a paper shredder on a non-reimbursable basis to dispose of accumulated nonsalable stock at least once each quarter-year. The disposal could be readily effected at the Agency Headquarters Building hammermill facility and would be supervised by three members of the McLean Postal Service unit under security escort arranged by the Logistics Services Division. The bulk of material to be disposed of initially, 12 - 15 cubic feet, will take about 2 hours, and subsequent disposals of 3 - 5 cubic feet should take approximately 1 hour of our operator's time.

3. Staff Position: There are no intelligence implications in this accommodation, and the economy to be achieved is in the national interest. In addition, permitting the McLean Postal Service unit the use of the hammermill would help convey our appreciation to them for the fine assistance they have rendered and are rendering to the Agency.

4. Recommendation: It is recommended that you approve the aforementioned request. Mr. [REDACTED] Deputy Chief, Logistics Services Division, will be the Agency coordinator on this matter if approved.

STATINTL

*James H. McDonald*

James H. McDonald

OL 8 0348

SUBJECT: Assistance to McLean Postal Service Facility

STATINTL

CONCURRENCES:

[Redacted]

*[Signature]*  
for General Counsel

2/1/78

Date

STATINTL

(Signed)

[Redacted]  
Inspector General

FEB 1978

Date

APPROVED:

*[Signature]* Michael J. Volentine

Acting Deputy Director for Administration

DISAPPROVED:

Acting Deputy Director for Administration

Date:

3 FEB 1978

Distribution:

Original - Return to OL (Official)

1 - GC

1 - IG

2 - A-DDA

1 February 1978

MEMORANDUM FOR: Acting Deputy Director for Administration

STATINTL FROM : [REDACTED]  
Office of General Counsel

STATINTL SUBJECT : HR [REDACTED] Assistance to McLean Postal Service Facility

1. This memorandum is in response to a request from the McLean Postal Service to use Agency facilities "on a non-reimbursable basis to dispose of accumulated nonsoluble stock at least once each quarter-year." It is the opinion of this Office that the Economy Act, which provides for cooperation between federal agencies, serves to authorize the assistance to the Postal Service as requested. 31 U.S.C.A. §686. This opinion is provided with the understanding that the added cost to the Agency of the proposed activity would be negligible.

2. While there is legal authority for this assistance, however, there are policy implications which you may wish to consider before granting approval. In view of the publicity given to past activities conducted by CIA with Post Office cooperation, although the attention has been directed to mail surveillance, extra effort must often be made to prevent even the most innocuous activities from being misinterpreted or criticized. For example, it is not too difficult to imagine this activity being branded as an attempt by CIA to monitor postal activities. For this reason it may be advisable to coordinate further with the Postmaster General. Such coordination, while not necessary, would ensure that the assistance is coordinated at the highest level, as well as the local level, of the Postal Service. Additionally, you may wish to report to the Oversight Committees on this matter.

3. Thus, while this Office has no legal objections, there are other factors to be considered. If you have any questions or comments, do not hesitate to contact me (x-6046). STATINTL

[REDACTED]



APPROVED FOR RELEASE 2001/09/18 : CIA-RDP81-00142R0001001

UNCLASSIFIED

CONFIDENTIAL

SECRET

### OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	DATE	INITIALS
1			
2	Mail Mail 7	24 FEB 1978	ky
3			
4			
5			
6			

<input type="checkbox"/> ACTION	<input type="checkbox"/> DIRECT REPLY	<input type="checkbox"/> PREPARE REPLY
<input type="checkbox"/> APPROVAL	<input type="checkbox"/> DISPATCH	<input type="checkbox"/> RECOMMENDATION
<input type="checkbox"/> COMMENT	<input type="checkbox"/> FILE	<input type="checkbox"/> RETURN
<input type="checkbox"/> CONCURRENCE	<input type="checkbox"/> INFORMATION	<input type="checkbox"/> SIGNATURE

DDA 78-0462

#### Remarks:

Mail, [REDACTED]  
I told ~~him~~ [REDACTED]  
to get his request  
for [REDACTED] in writing.  
I have [REDACTED] [REDACTED]  
and have [REDACTED] [REDACTED]

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO.

DATE

APPROVED FOR RELEASE 2001/09/18 : CIA-RDP81-00142R0001001